

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION**COMPILED
FINANCIAL STATEMENTS****Year Ended December 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **SEP 14 2011**

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REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

A PROFESSIONAL CORPORATION

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ACCOUNTANT'S COMPILATION REPORT

Board of Directors
New Hope Community Development Corporation
Kenner, Louisiana 70062

We have compiled the accompanying Statement of Financial Position of New Hope Community Development Corporation (a nonprofit "Organization") as of December 31, 2010, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Rebowe & Company

April 15, 2011

**COMPILED
FINANCIAL STATEMENTS**

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
December 31, 2010

ASSETS

Current Assets:	
Cash and cash equivalents	\$ 100,909
Investments	<u>42,895</u>
Total Current Assets	<u>143,804</u>
Property and Equipment	
(less accumulated depreciation of \$1,500)	<u>9,500</u>
Total Assets	<u><u>\$ 153,304</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Payroll taxes payable	\$ 10,532
Accounts payable - Affiliate	<u>66,888</u>
Total Current Liabilities	<u>77,420</u>
Total Liabilities	<u>77,420</u>
Net Assets:	
Unrestricted	<u>75,884</u>
Total Net Assets	<u>75,884</u>
Total Liabilities and Net Assets	<u><u>\$ 153,304</u></u>

See accompanying notes and accountant's report.

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

Unrestricted Net Assets:

Revenue and Support:

State Grant revenue	\$ 75,143
Summer enrichment fee	6,655
Donations	2,192
Interest income	<u>4</u>

Total Unrestricted Revenue	<u>83,994</u>
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Expenses:

Program services	103,432
Management and general	<u>9,677</u>

Total Expenses	<u>113,109</u>
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Decrease in Unrestricted Net Assets	(29,115)
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NET ASSETS, Beginning of Year	<u>104,999</u>
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NET ASSETS, End of Year	<u><u>\$ 75,884</u></u>
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See accompanying notes and accountant's report.

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2010

	Program Services	Supporting Services Management and General	Total Expenses
Payroll and payroll taxes	\$ 77,623	\$ 4,478	\$ 82,101
Meals expense - crime prevention and summer camp	7,879	876	8,755
Supplies	3,220	358	3,578
Rent expense	3,150	350	3,500
Summer camp expense	2,820	313	3,133
Program operating expense - other	2,697	300	2,997
Travel and transportation	2,354	262	2,616
Professional services	1,530	170	1,700
Depreciation expense	-	1,500	1,500
Janitorial expense	954	106	1,060
Bank charges and fees	-	829	829
Reimbursement expense	562	63	625
Contributions	225	25	250
Dues and subscriptions	135	15	150
Miscellaneous expense	283	32	315
Total Expenses	<u>\$ 103,432</u>	<u>\$ 9,677</u>	<u>\$ 113,109</u>

See accompanying notes and accountant's report.

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2010

Cash Flows From Operating Activities:	
Decrease in net assets	\$ (29,115)
Adjustments to reconcile decrease in net assets to cash used in operating activities:	
Depreciation expense	<u>1,500</u>
Net Cash Used in Operating Activities	<u>(27,615)</u>
Cash Flows From Investing Activities:	
Purchase of property and equipment	<u>(8,500)</u>
Net Cash Used in Investing Activities	<u>(8,500)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(36,115)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>137,024</u>
CASH AND CASH EQUIVALENTS - End of Year	<u><u>\$ 100,909</u></u>

See accompanying notes and accountant's report.

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

New Hope Community Development Corporation (the "Organization") is a non-profit organization located in Kenner, Louisiana. The Organization's mission is to improve the quality of life in communities by strengthening and empowering people through social, educational and economic development programs. The Organization's educational component programs provide quality out-of-school time enrichment for children and youth ages five through eighteen that boosts motivation to read, develops positive attitude toward learning, cultivates self esteem, and connects the needs of families to local resources.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$100. Property and equipment is recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using a straight-line method over the estimated useful lives of the assets.

Investments

Under FASB ASC Topic 958, *Financial Statements of Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net assets classes. When a temporary restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through April 15, 2011.

NOTE 2 - INVESTMENTS

Investments as of December 31, 2010 are stated at fair value and consist of a fixed interest account offered through a deferred annuity contract, as follows:

	<u>Cost</u>	<u>Fair Value</u>
Fixed Interest Account (Deferred Annuity Contract)	<u>\$38,725</u>	<u>\$42,895</u>

No realized or unrealized gains or losses from investment activity were recorded in the Statement of Activities for the year ended December 31, 2010.

NEW HOPE COMMUNITY DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2010

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2010 consists of the following:

Equipment	\$ 6,000
Land	5,000
Less accumulated depreciation	<u>(1,500)</u>
Property and equipment, net	<u>\$ 9,500</u>

Depreciation expense was \$1,500 for the year ended December 31, 2010.

NOTE 4 - FUNCTIONAL ALLOCATIONS OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

NOTE 5 - RELATED PARTY TRANSACTIONS

The Organization has a payable to an affiliated organization. The affiliated organization, New Hope Community Church, shares the same management and Board of Directors with the Organization. There are no terms of repayment or stated interest rate with regard to the amount payable. The balance of the payable as of December 31, 2010 recorded on the Statement of Financial Position is \$66,888.

The Organization rents space from an affiliate organization, New Hope Community Church. The affiliated organization shares the same management and Board Members with the Organization. There is no written rental agreement and payments are made on a periodic basis. The total amount of rent expense for the year ended December 31, 2010 was \$3,500.

NOTE 6 - CONCENTRATION OF REVENUE SOURCE

The majority of the Organization's revenues for the year ended December 31, 2010 were derived from two (2) grants from the State of Louisiana in the amounts of \$50,000 and \$25,000.

NOTE 7 - UNPAID PAYROLL TAXES

Unpaid payroll taxes (including penalties and interest) for the year ended December 31, 2010 are estimated to be \$10,532. This amount is classified on the Statement of Financial Position as Payroll Taxes Payable. The total amount was paid on January 3, 2011.

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July 29, 2011

Rev. Mark B. Mitchell
Executive Director
New Hope Community
Development Corporation
2751 Gadsden St.
Kenner, LA 70062

Dear Rev. Mitchell:

In accordance with Louisiana Revised Statute 24:513, for the years ended December 31, 2009 and 2010, New Hope Community Development Corporation is required to submit financial statements compiled by a licensed certified public accountant to the Louisiana Legislative Auditor. The compiled financial statements are required to be filed with the Louisiana Legislative Auditor no later than six (6) months following the end of New Hope Community Development Corporation's fiscal year. The compiled financial statements filed with the Louisiana Legislative Auditor were not filed in a timely manner and therefore New Hope Community Development Corporation's compiled financial statements for the years ended December 31, 2009 and 2010 are delinquent.

The compiled financial statements have recently been filed with the Louisiana Legislative Auditor.

Sincerely,



Philip W. Rebowe, CPA, CFE, CFSA